

JOHN MORRASH

2/23/2005 IN RE: ADAMS GOLF, INC., SECURITIES LITIGATION

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1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE DISTRICT OF DELAWARE

3
4 IN RE: ADAMS GOLF, CIVIL ACTION NO. 99-371-KAJ
INC., SECURITIES
5 LITIGATION (CONSOLIDATED)
6
7
8
9

10 Oral deposition of JOHN
11 MICHAEL MORRASH, taken at the law
12 offices of BERGER & MONTAGUE, P.C., 1622
13 Locust Street, Philadelphia,
14 Pennsylvania, on Wednesday, February 23,
15 2005, at 10:12 a.m., before Rosemary
16 Locklear, Registered Professional
17 Reporter, Certified Shorthand Reporter
18 (NJ), Certified Realtime Reporter and
19 Notary Public, pursuant to notice.
20
21
22
23
24
25

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 Securities, L.L.C.; and Ferris Baker Watts,
 Incorporated
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1 JOHN MICHAEL MORRASH, having
 2 been duly sworn, was examined and
 3 testified as follows:
 4 EXAMINATION
 5 BY MS. BRANNEN:
 6 Q. Good morning, Mr. Morrash.
 7 MS. FOX: Before you start, I
 8 have something to put on the record.
 9 Mr. Morrash, when he was
 10 considering all the stuff last night,
 11 looked at his Interrogatory answers and
 12 realized that one of his Interrogatory
 13 answers was incomplete and he has
 14 completed it and then signed an
 15 Affidavit. So that's the completed
 16 Affidavit.
 17 MS. BRANNEN: Okay. And I
 18 was in and out at the last deposition,
 19 but is this -- did you give us
 20 signatures for all the Interrogatories
 21 at the last one? I vaguely recall
 22 something.
 23 MS. FOX: Can we go off the
 24 record?
 25 (Discussion off the record)

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1 EXHIBIT INDEX
 2
 3 MARKED
 4 16 1-page copy of document entitled "John 14
 5 M. Morrash," plus attachment, JMM
 6 59-JMM 60
 7 17 9-page copy of document entitled 110
 8 "Responses and Objections of John M.
 9 Morrash to Defendant Adams Golf, Inc.'s
 10 First Request for the Production of
 11 Documents and Things from Proposed
 12 Class Representatives Federated
 13 National Insurance Co., John Morrash
 14 Todd Tonore, F. Kenneth Shockley, and
 15 Patricia Craus"
 16 18 7-page copy of document entitled 112
 17 "Plaintiff John M. Morrash's Responses
 18 to Defendant Adams Golf's First Set of
 19 Interrogatories"
 20 19 22-page copy of document entitled 122
 21 "Class Action Complaint for Violations
 22 of Federal Securities Laws," plus
 23 attachments
 24 20 1-page copy of document entitled "Adam 156
 25 Golf Litigation," plus attachments, JMM
 1. JMM 3-JMM 15
 21 Multi-page copy of document dated 163
 8/12/98 entitled "Ferris Baker Watts"
 JMM 16-JMM 39

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1 MS. BRANNEN: Well, let's go
 2 back on the record, then.
 3 BY MS. BRANNEN:
 4 Q. Good morning, Mr. Morrash. I'm
 5 Jenny Brannen and I represent the Adams
 6 Golf defendants. I guess, let's see,
 7 you've already spelled your name for the
 8 court reporter.
 9 Can you give us your date of
 10 birth as well.
 11 A. Sure. October 12th, 1954.
 12 Q. Okay. Have you ever had your
 13 deposition taken before?
 14 A. Yes.
 15 Q. When was that?
 16 A. I don't remember specifically, but
 17 it was a few years ago.
 18 Q. Was that the only time you've ever
 19 had it taken?
 20 A. Yes.
 21 Q. What kind of case was it?
 22 A. That was a wrongful dismissal
 23 case.
 24 Q. What does that mean?
 25 A. That means that an employee is

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1 claiming that his employer violated
 2 employment law resulting in his or her
 3 dismissal.
 4 Q. We call it wrongful termination in
 5 Texas.
 6 A. Yes. Okay.
 7 Q. There you go. I was confused.
 8 Were you a party to the case?
 9 A. I was a defendant, yes.
 10 Q. Okay. And who was the company?
 11 The employer?
 12 A. The employer was a company that
 13 did business as Medford Ice Rink, and
 14 the name of the company was MARA, M-A --
 15 all caps, M-A-R-A, L.L.C.
 16 Q. So you're probably familiar then
 17 or may vaguely recall the basic ground
 18 rules of a deposition, that you're under
 19 oath, it's just like being in court and
 20 being -- your testimony is sworn.
 21 Do you understand that?
 22 A. I understand that my testimony is
 23 under a oath, yes.
 24 Q. And so you must testify
 25 truthfully.

1 medication that would prevent you from
 2 testifying truthfully and accurately?
 3 A. There are none.
 4 Q. Okay. When did you learn that you
 5 would have to give a deposition in this
 6 litigation?
 7 A. I believe that would have been in
 8 January of this year.
 9 Q. And who told you?
 10 A. Ms. Fox told me.
 11 Q. And with whom have you met in
 12 person to prepare for the deposition?
 13 A. I had a meeting with Liz Fox, Don
 14 Lewis, and Todd Collins.
 15 Q. And when did you meet with them?
 16 A. I met with them last night.
 17 Q. Was that the only time that you
 18 met with them to prepare for your
 19 deposition?
 20 A. Yes, that was the only time.
 21 MS. FOX: Well, this morning,
 22 obviously.
 23 THE WITNESS: Oh This
 24 morning.
 25 BY MS. BRANNEN:

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1 For the court reporter's
 2 sake, please answer audibly, try not to
 3 nod or say uh-huh and, you know, wait
 4 for me to finish my question so that
 5 both of us aren't trying to talk at
 6 once.
 7 If you don't understand my
 8 questions, please tell me. I'll try and
 9 be as clear as possible, but feel free
 10 to ask me if you don't understand one of
 11 my questions; but if you answer, I'll
 12 assume that you understood.
 13 And if you need a break at
 14 any point, just let me know, but try not
 15 to do it while a question is pending.
 16 You know, try and answer the question to
 17 the best of your ability before we take
 18 a break.
 19 And in response to my
 20 questions, don't guess, but I'm entitled
 21 to whatever your best recollection is.
 22 And then finally, is there
 23 any reason that you can't give me your
 24 best testimony here today? Is there any
 5 kind of mental or physical condition or

1 Q. So twice, last night and then this
 2 morning?
 3 A. Once last night.
 4 Q. And then also this morning?
 5 A. Yes.
 6 Q. How long did you meet each time?
 7 A. This morning, 15 or 20 minutes;
 8 last night, perhaps two hours, two and a
 9 half hours.
 10 Q. And had you ever met personally
 11 with any of your attorneys before
 12 yesterday?
 13 A. Personally, if that means face-to-
 14 face, no. But by phone on a good number
 15 of occasions.
 16 Q. Were the phone calls in
 17 preparation for your deposition?
 18 A. No.
 19 Q. So those were just other
 20 communications with your attorneys by
 21 phone?
 22 A. Yes.
 23 Q. And did you review any documents
 24 to prepare for this deposition?
 25 A. Yes.

3 (Pages 6 to 9)

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1 Q. Do you recall which documents?
 2 A. I reviewed the documents that were
 3 in my file, personal file that I kept
 4 with respect to this investment. And I
 5 also reviewed some information on the
 6 Internet last night.
 7 Q. What sort of information was that?
 8 A. SEC filings by the company.
 9 Q. And when did you review the
 10 documents in your file?
 11 A. I reviewed them intensely last
 12 night.
 13 Q. And did reviewing those documents
 14 refresh your memory about any of the
 15 events connected with the lawsuit?
 16 A. Yes.
 17 Q. Which events?
 18 A. Primarily, it refreshed my memory
 19 as to why I was so upset about this
 20 situation.
 21 Q. And so which documents were the
 22 ones primarily that refreshed your
 23 memory?
 24 A. The ones in my file.
 25 Q. Yes. And we'll go through those

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1 A. Uh-huh.
 2 Q. Can you give us your current
 3 address, please.
 4 A. Sure. It's 3565 Lexington Drive,
 5 in Doylestown, Pennsylvania.
 6 Q. And your telephone number.
 7 A. My home phone number?
 8 Q. Yes.
 9 A. Is 215-345-4096.
 10 Q. And was that your same address
 11 during 1998 to 1999 time frame?
 12 A. No, it wasn't.
 13 Q. What was your address then?
 14 A. My address then was 3901 Sherwood
 15 Lane, Doylestown, Pennsylvania.
 16 Q. And what's your business address?
 17 A. My current business address is
 18 Radnor Corporate Center in Radnor,
 19 Pennsylvania.
 20 Q. Is there a street address or is
 21 that --
 22 A. It's Building 3; it's fourth
 23 floor.
 24 Q. Okay. So no ZIP Code, though?
 25 Just, you know, for the record, we're

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1 documents --
 2 A. Yes.
 3 Q. -- in a little bit. I presume
 4 those are probably the documents that
 5 you turned over to your lawyers who then
 6 produced them to us.
 7 A. Yes.
 8 Q. But, primarily, are you referring
 9 to like your trading records in Adams
 10 Golf?
 11 A. I'm referring to the Baker Watts
 12 report that was written on the company
 13 in August of 1998, and then I'm also
 14 referring to financial results that I
 15 saw on the Internet by way of my viewing
 16 SEC filings.
 17 Q. And what time period were those
 18 SEC filings for?
 19 A. I looked at the 10-K for 1998, the
 20 10-K for 1999, the 10-Q for the period
 21 ended September 30th, 1998, to the best
 22 of my recollection.
 23 Q. Oh. And let's walk through a few
 24 just personal details so that we have
 25 them on the record.

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1 just trying to get a good mailing
 2 address.
 3 A. I don't recall what the ZIP Code
 4 is. I don't use it.
 5 MS. FOX: Well, you know, I
 6 would object. If you want to get ahold
 7 of him, get ahold of us.
 8 BY MS. BRANNEN:
 9 Q. So are you married, Mr. Morrash?
 10 A. I'm not married.
 11 Q. And then next I want to walk
 12 through just your educational
 13 background, your formal education. Did
 14 you graduate from college?
 15 A. I did. And we've provided a brief
 16 resume to you.
 17 Q. Right. Right. We will get to
 18 that shortly.
 19 What was your degree in, just
 20 so that we can get it on the record?
 21 A. B.S. degree in accounting.
 22 Q. Okay. And do you belong to any
 23 seminars? I'm sorry. Have you attended
 24 a lot of accounting and financially-
 25 related seminars then, I would guess, if

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1 your background is in accounting?
 2 **A. From time to time, yes.**
 3 Q. What about courses in investing
 4 and that kind of thing?
 5 **A. Formal courses, no.**
 6 Q. Do you belong to any professional
 7 societies?
 8 **A. I belong to the Pennsylvania**
 9 **Institute of Certified Public**
 10 **Accountants and the American Institute**
 11 **of Certified Public Accountants.**
 12 Q. Okay. And let me go ahead and
 13 introduce your resume, which I'm going
 14 to ask the court reporter to mark as
 15 Exhibit 16.
 16 (Exhibit 16 was marked for
 17 identification.)
 18 MS. BRANNEN: And I've just
 19 left the page that was behind it which
 20 looks like just a file label page but
 21 attached with this one.
 22 MS. FOX: Yes. That is the
 23 back of the folder.
 24 MS. BRANNEN: Of the folder.
 25 Okay. I just figured I'd leave it with

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1 Q. Okay. Then we don't need to walk
 2 through the whole thing.
 3 Mr. Morrash, do you know who
 4 it is exactly that you're suing in this
 5 litigation?
 6 **A. Yes, I do.**
 7 Q. Can you identify the defendants
 8 for me?
 9 **A. The defendants include Barney**
 10 **Adams, other officers of the company**
 11 **whose name I don't have memorized but**
 12 **are clearly indicated in the Complaint.**
 13 **We're also suing three underwriters, and**
 14 **they are the -- that's who we're suing.**
 15 Q. And do you know why you're suing
 16 those defendants?
 17 **A. I certainly do.**
 18 Q. Can you explain to me what it is
 19 that you believe they did wrong?
 20 **A. Yes, I can. I believe they did a**
 21 **lot of things wrong, including excluding**
 22 **material information with respect to**
 23 **certain risks associated with this**
 24 **investment from the prospectus and**
 25 **registration statement.**

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1 this one so that it stayed with
 2 something.
 3 BY MS. BRANNEN:
 4 Q. So can you identify this document
 5 for the record, please.
 6 **A. Yes. Appears to be the document**
 7 **that I prepared in response to a request**
 8 **by my attorneys.**
 9 Q. And can you describe the document?
 10 **A. Sure. It's a --**
 11 MS. FOX: Wait a second.
 12 Could I have the -- or let
 13 him look at the real document and let me
 14 look at this one. Good. Thank you.
 15 THE WITNESS: It is a summary
 16 of my college education, professional
 17 certificates received, and employment by
 18 employer with various detailed positions
 19 indicating some -- in all cases for the
 20 period beginning in 1996 to the present.
 21 BY MS. BRANNEN:
 22 Q. Okay. And this is a full and
 23 accurate description of your employment
 24 history and educational history?
 25 **A. Yes, it is.**

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1 Q. And can you tell me what
 2 statements you think or risks you think
 3 were omitted from the registration
 4 statement?
 5 **A. Yes, I can. I think that what was**
 6 **omitted was adequate disclosure with**
 7 **respect to the company's product being**
 8 **sold in gray markets.**
 9 Q. And can you tell me what evidence
 10 you have that supports that belief?
 11 **A. Well, I've -- I relied on my**
 12 **attorneys to articulate the claim and**
 13 **the particulars of the claim and I think**
 14 **that that stands on its own.**
 15 Q. Can you tell me what facts you
 16 know about, though, that support your
 17 belief that the risk of gray marketing
 18 was --
 19 **A. Yes.**
 20 Q. -- wrongfully omitted from the
 21 prospectus?
 22 **A. Yes. Absolutely.**
 23 **Can you repeat the question**
 24 **again?**
 25 Q. Yes. Just can you tell me what

5 (Pages 14 to 17)

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1 facts you personally know about or have
 2 learned that support your belief about
 3 what defendants you think did wrong?
 4 **A. Well, I know that the -- I know**
 5 **that the company sometime prior to going**
 6 **public released to the public by way of**
 7 **a press release the fact that it was**
 8 **aware that its products were appearing**
 9 **in the gray market. I know that the**
 10 **prospectus and registration says nothing**
 11 **about it.**

12 **And I also know that in later**
 13 **filings, that is filings subsequent to**
 14 **the public offering, that the company**
 15 **has disclosed the fact that its products**
 16 **are being sold in the gray market.**

17 Q. Did you --

18 **A. And -- go ahead.**

19 Q. I'm sorry. Go ahead. I didn't
 20 mean to cut you off if you weren't done.

21 **A. I'm done.**

22 Q. So you mentioned a press release
 23 that was issued before the company went
 24 public. Did you see that press release?

25 MS. FOX: You have to say

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1 Q. Well, I mean you kind of -- you
 2 listed sort of a group of people --

3 **A. Yes. Right.**

4 Q. -- and I just wondered if you knew
 5 exactly how many people had been sued.

6 **A. It's a matter of public record. I**
 7 **didn't count them to refresh my memory.**

8 Q. And so in terms of the officers of
 9 the company that, you know, you listed
 10 sort of as a group, you said you hadn't
 11 memorized their names, but do you know
 12 at all generally, you know, what their
 13 responsibility at the company was or
 14 what they might have --

15 **A. I know that the chief financial**
 16 **officer is one of those individuals.**

17 Q. And is he the only one whose title
 18 you recall?

19 **A. Yes. Although I have read the**
 20 **Complaint a number of times and I've**
 21 **read their names and titles a number of**
 22 **times, I just haven't committed them to**
 23 **memory.**

24 Q. So I just want to go through kind
 25 of some of your understanding of what

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1 what time frame you're talking about.

2 MS. BRANNEN: Well, he --

3 MS. FOX: Are you asking him
 4 did he see it before the Complaint was
 5 filed?

6 MS. BRANNEN: Yes.

7 BY MS. BRANNEN:

8 Q. Did you see that press release
 9 actually at the time the press release
 10 was issued?

11 **A. At the time it was issued?**

12 Q. Uh-huh.

13 **A. No, I didn't.**

14 Q. Did you see the press release
 15 before the company went public?

16 **A. No, I didn't.**

17 Q. And had you seen it before you
 18 purchased your Adams Golf stock?

19 **A. I didn't.**

20 Q. Going back on the parties that
 21 have been sued in the lawsuit, do you
 22 know off the top of your head how many
 23 defendants there are?

24 **A. What do you mean, off the top of**
 25 **my head? Do you mean approximately?**

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1 was going on with Adams Golf at the time
 2 it went public.

3 So generally can you tell me
 4 in 1998, you know, what sort of business
 5 Adams Golf was in?

6 **A. They were in the specialty golf**
 7 **club market. Primarily fairway woods.**

8 Q. And in 1998 do you know which
 9 products exactly they sold?

10 **A. I know that they had a fairway**
 11 **wood called Tight Lies. I don't**
 12 **remember exactly what the degrees of**
 13 **that club were, but I know that it was**
 14 **intended to be a club that's easier to**
 15 **hit a ball that appears in the fairway a**
 16 **long distance because a lot of people**
 17 **have trouble hitting long irons.**

18 Q. Yes, they do.

19 Do you know how Adams Golf
 20 was marketing its products in 1998?

21 **A. I know -- can you repeat that**
 22 **question, please?**

23 Q. Just whether or not you know how
 24 Adams Golf was marketing its products in
 25 1998.

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1 A. Today I do know how they're
 2 marketing their products in 1998, yes.
 3 They were selling their products through
 4 two primary outlets. One was a direct
 5 outlet where I believe they indicated
 6 they had about 200,000 direct customers,
 7 and then they were selling through a
 8 selected distribution channel, which
 9 included approximately 7,000 golf shops.
 10 Q. And were you aware of that -- of
 11 how they marketed their products in 1998
 12 when you bought your stock?
 13 A. No. Because I didn't make the
 14 decision to buy my stock. My broker
 15 did.
 16 Q. Why did your broker recommend that
 17 you buy Adams Golf? Or he actually made
 18 the decision to do it?
 19 A. My broker made the decision to buy
 20 it, yes.
 21 Q. Did he tell you about that
 22 decision before he bought it?
 23 A. No. He has discretionary
 24 authority with respect to the account.
 25 Q. And so at what point did you

Page 23

1 become aware that he had purchased Adams
 2 Golf stock?
 3 A. Within several days of the IPO.
 4 Q. Okay. And I'll probably come back
 5 to that in a little bit. But in 1998
 6 had you ever seen any Adams Golf
 7 advertisements?
 8 A. I don't recall if in 1998 I saw
 9 any advertisements.
 10 Q. And did you know anything about
 11 the IPO until your broker told you he
 12 had purchased the stock in the IPO?
 13 A. To the best of my recollection, I
 14 knew nothing about the IPO prior to it
 15 occurring.
 16 Q. And once you learned about the
 17 IPO, did you follow the company after
 18 that?
 19 A. I did, yes.
 20 Q. How did you do that? What kind of
 21 information did you read to learn about
 22 the company?
 23 A. I obtained information off of the
 24 Internet. I think at the time I was
 5 using Yahoo! Finance, and then I have in

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1 my file a report from Baker Watts, an
 2 analyst report, which was written in
 3 August of 1998.
 4 Q. And so was that the only analyst
 5 report that you recall reading about the
 6 stock?
 7 A. That's the only one I recall
 8 reading about it. That was a long time
 9 ago, so I don't have full recollection
 10 of what I might read -- might have read.
 11 Q. It was the only one you kept in
 12 your file, anyway.
 13 A. Yes.
 14 Q. And you mentioned Barney Adams as
 15 one of the defendants before. And do
 16 you know who he is, what his position is
 17 at the company?
 18 A. I believe he is CEO and chairman
 19 of the board.
 20 Q. And --
 21 A. I believe he has been since
 22 inception.
 23 Q. And so did you know him personally
 24 at all?
 25 A. No.

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1 Q. And what is it that you believe
 2 Barney Adams in particular did wrong?
 3 A. I believe that he -- I believe he
 4 initiated and carried out an effort to
 5 oversell his product during the period
 6 just prior to the IPO in order to
 7 inflate the value of the company and
 8 maximize the value of the public
 9 offering.
 10 Q. So when you say "he carried out an
 11 effort to oversell his product," what do
 12 you mean by that? How do you believe he
 13 did that?
 14 A. I'm not going to speculate as to
 15 how he did it, but I think if you look
 16 at the financial statements, that you
 17 can draw a very reasonable conclusion
 18 that that's what happened.
 19 Q. And what is it in the financial
 20 statements that would make you draw that
 21 conclusion?
 22 A. The peak in sales during that
 23 period of time when the company went
 24 public.
 25 Q. Do you think there could be any

7 (Pages 22 to 25)

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1 A. I would have -- after my broker
2 buys shares, he sends the information to
3 me, so my broker would have had access
4 to this prior to his buying the shares
5 for my account.
6 Q. So I guess I'm not 100 percent
7 clear. So did you -- you received it
8 after your broker bought the shares or
9 no?
10 A. I would assume so because I
11 received all proxy, all -- I'm sorry --
12 prospectus for other IPOs I was involved
13 in subsequent to my broker buying those
14 stocks.
15 Q. And do you recall reading that
16 prospectus at the time?
17 A. That was a long time ago. I don't
18 recall the moment I read it, no.
19 Q. But you have read it before?
20 A. Subsequent to my learning that I
21 -- the account -- the shares were
22 purchased for my account, I read various
23 documents with respect to the company.
24 Most -- some of those were documents
25 prepared in compliance with securities

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1 and exchange laws, like 10-Ks and 10-Qs
2 and prospectus and registration
3 statements.
4 Q. But you don't recall specifically
5 if you read this one?
6 A. I don't have a specific
7 recollection, no, but my broker had
8 access to it prior to and he made the
9 decision to buy the shares.
10 Q. Right. And so how did that
11 relationship work? I know you said he
12 had discretion to invest for you. If he
13 made an investment and then after the
14 fact you -- would you research it and
15 decide if you wanted to stay in it or
16 did he have discretion then to decide
17 when to sell as well?
18 A. He had full discretion. I would
19 give him my opinion sometimes, but at
20 the end of the day I let his judgment
21 prevail.
22 Q. So if you guys had a difference of
23 opinion, he would make the final call on
24 whether to buy or to hold something?
25 A. Depending on the magnitude of the

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1 difference of opinion.
2 Q. Can you give me an example?
3 A. Theoretically, if he bought
4 something that I just didn't like and
5 thought it was a bad idea, he would be
6 likely to sell it. If I bought
7 something that I was somewhat unsure
8 about but he was more confident in
9 because he had done research and so on,
10 then I would be more inclined to allow
11 his decision to prevail.
12 Q. So do you know whether Adams Golf
13 was one of those things that -- where
14 would you put it sort of on the scale of
15 you being less confident about or, you
16 know, being averse to holding?
17 MS. FOX: At what point?
18 BY MS. BRANNEN:
19 Q. Immediately, I guess, after it was
20 purchased and you learned about the
21 purchase.
22 A. Oh, I was glad to have the shares.
23 Q. And did you discuss with your
24 broker like how much research he had
25 done on it before he purchased it?

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1 A. I had a discussion with him about
2 the company. He was -- appeared to be
3 informed about it. I don't recall
4 asking him if he had read the
5 registration statement, but he was -- he
6 was informed about the company.
7 Q. Do you know where he had gotten
8 his information about the company from
9 other than possibly the registration
10 statement?
11 A. Well, that's -- he's in that
12 business, so I don't -- and he works for
13 a firm. I don't know where they get
14 their information.
15 Q. Okay. You didn't discuss it with
16 him. You don't know.
17 A. No.
18 Q. Do you know which statements --
19 can you identify which statements in the
20 prospectus you believe were false and
21 misleading? You can --
22 A. I think that they're articulated
23 pretty well in the -- in the Complaints
24 and I believe that they're quoted in
25 there.

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1 definition, in my opinion, not as an
 2 expert but as an investor, is material
 3 information that is relevant to my
 4 decision to hold these shares or sell
 5 them or buy them in the beginning.
 6 Q. Do you know whether gray marketing
 7 is something that's limited to the golf
 8 industry?
 9 A. No. It's not limited to the golf
 10 industry.
 11 Q. What other industries are affected
 12 by it?
 13 A. Jewelry, watches, purses. You
 14 know, a lot of retail products, I would
 15 assume.
 16 Q. Do you know whether other golf
 17 companies were affected by gray
 18 marketing in 1998?
 19 A. I don't know. I don't know if
 20 they were or not.
 21 Q. How familiar are you with the golf
 22 industry sort of generally? Do you golf
 23 or...
 24 A. I don't golf frequently now. I
 25 have in the past. I've never been a

1 other golf companies were affected by
 2 gray marketing in '98?
 3 A. I don't know.
 4 Q. So do you know when Adams Golf
 5 disclosed the information that you're
 6 alleging it should have disclosed in the
 7 prospectus?
 8 A. I saw it in the -- in the 1999
 9 10-K, and my recollection, though not
 10 specific, was that there was a
 11 disclosure prior to that as well.
 12 Q. What kind of a disclosure?
 13 A. I don't have perfect recollection
 14 on this matter, but it may have been a
 15 press release. It may have been in a
 16 10-Q. I'm not sure.
 17 Q. Do you recall the approximate time
 18 frame when that disclosure was made?
 19 A. I don't want to guess. I believe
 20 it was within a year of them being
 21 public -- going public.
 22 Q. Were you still holding Adams Golf
 23 at the time of that disclosure?
 24 A. I just don't recall. That was a
 25 long time ago.

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1 serious golfer.
 2 Q. So you didn't keep up particularly
 3 with any of the other golf companies in
 4 the industry when you were investing in
 5 Adams Golf?
 6 A. From the perspective of a consumer
 7 or an investor?
 8 Q. Both, actually.
 9 A. Well, from the perspective of a
 10 consumer, I would frequently walk
 11 through golf shops and see what was
 12 available. I've purchased clubs from
 13 time to time.
 14 Q. When you purchased clubs, did you
 15 purchase them at a specialty shop or at
 16 a mass distribution outlet?
 17 A. At a specialty shop.
 18 Q. Do you know what other clubs were
 19 available at mass distribution outlets
 20 in that time frame?
 21 A. I've walked through mass
 22 distribution outlets and see a whole
 23 bunch of clubs sitting in a bin. I just
 24 usually take a glance and keep walking.
 25 Q. So you don't know whether any

1 Q. If you were, would it have
 2 affected your decision about whether to
 3 hold onto the stock?
 4 A. Of course, it would.
 5 MR. McEVOY: I'm sorry I
 6 just couldn't --
 7 THE WITNESS: I said of
 8 course it would have.
 9 BY MS. BRANNEN:
 10 Q. How would it have affected your
 11 decision? In what way?
 12 A. What it would tell me was that
 13 this is a company that is not selling a
 14 product in which they're trying to
 15 create a lot of value in the brand and
 16 which is the underlying basis and theory
 17 upon which this was -- this company was
 18 founded, in my opinion, as an investor.
 19 It wasn't founded as a
 20 company to produce clubs in high volumes
 21 for mass distribution. Those would be
 22 more efficiently made overseas.
 23 Q. What's your understanding of the
 24 disclosure that was made? Was it that
 25 Adams Golf had decided to sell to mass

15 (Pages 54 to 57)

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1 **Because I don't -- I can't make -- I**
 2 **can't do this myself.**
 3 Q. I'm not trying --
 4 A. Okay?
 5 Q. I'm not trying to give you a
 6 memory test.
 7 A. Okay.
 8 Q. All I'm trying to get at is your
 9 personal understanding of the case.
 10 A. Yeah. And I --
 11 Q. So if you -- that's why I'm just
 12 asking you for your personal
 13 recollection of the facts that support
 14 your personal belief. If you don't have
 15 any, just say so. That's fine.
 16 A. Give me the Complaint and I'll --
 17 MS. FOX: Wait.
 18 Object to the form.
 19 He has given you a number of
 20 facts.
 21 THE WITNESS: Yeah.
 22 MS. BRANNEN: Okay. Could
 23 you read my last question back, please.
 24 (The court reporter read back
 25 the following:

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1 "QUESTION: So if you --
 2 that's why I'm just asking you for your
 3 personal recollection of the facts that
 4 support your personal belief. If you
 5 don't have any, just say so. That's
 6 fine.")
 7 THE WITNESS: There are
 8 facts. The company disclosed that its
 9 products were ending up in gray markets
 10 prior to it going public. The company
 11 disclosed that its products ended up in
 12 gray markets subsequent to going
 13 public. The company disclosed that its
 14 products ended up in mass distribution
 15 in their, I believe, 1999 10-K.
 16 As I also indicated earlier,
 17 I believe sometime subsequent to going
 18 public and prior to that 10-K there was
 19 another disclosure of some form that
 20 their -- that their products are sold --
 21 are being sold in gray markets. So
 22 there are plenty of facts.
 23 BY MS. BRANNEN:
 24 Q. Can you --
 25 A. In fact, I don't think Adams Golf

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1 **is disputing the facts.**
 2 Q. Can you take a look at Page 29 of
 3 the prospectus, please. In the next-to-
 4 the-last paragraph where it says: Sales
 5 to retailers. The prospectus states
 6 that the company sells a significant
 7 majority of its products to selected
 8 retailers. To maintain its high-quality
 9 reputation and generate retailer
 10 loyalty, the company does not sell its
 11 products through price-sensitive general
 12 discount warehouses, department stores
 13 or membership clubs.
 14 Do you believe that was a
 15 true statement in 1998, at the time of
 16 the prospectus?
 17 A. It may have been true, but, in my
 18 opinion, it's incomplete with respect to
 19 the substance of the point that's trying
 20 to be made there.
 21 Q. And why is that?
 22 A. They may not sell directly to mass
 23 production -- to mass distribution, but
 24 their product may end up there, and if
 25 they have knowledge of their product

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1 **ending up there, then they ought to tell**
 2 **investors about it because it's**
 3 **important to investors for the reasons**
 4 **that are articulated in their own**
 5 **language.**
 6 **It's pretty easy. These guys**
 7 **screwed up. It's very easy. This is**
 8 **not rocket science. It's not rocket**
 9 **science. It's easy.**
 10 Q. I'm going to show you --
 11 A. I --
 12 Q. -- this document that's --
 13 A. I'd love to tell my story to a
 14 jury. That's what I would -- you know.
 15 Okay? Instead of you. But we'll go
 16 through this.
 17 Q. I'm going to show you this
 18 document that's been previously marked
 19 as Exhibit 2.
 20 Do you recognize this
 21 document?
 22 A. This appears to be the Amended
 23 Complaint.
 24 Q. Do you recall when you first saw
 25 this document?

19 (Pages 70 to 73)

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1 became an action of this nature, i.e., a
2 class action.

3 Q. But you're not -- you don't know
4 specifically whose idea it was.

5 A. Well, it was the attorneys, the
6 attorneys who are involved in the case,
7 including the attorneys who are
8 representing --

9 Q. But no one specific one, or you
10 don't know for sure?

11 A. I don't know for sure which
12 specific attorney, no.

13 Q. And then I know you mentioned
14 Kenneth Schockley and David Schockley
15 were also lead plaintiffs. What's
16 their -- who is Bill Schockley in
17 relation to them?

18 A. Bill is Dr. Kenneth Schockley's
19 son, and David Schockley is Ken
20 Schockley's son as well.

21 Q. And so is Bill Schockley a named
22 plaintiff?

23 A. To my knowledge, he is not.

24 Q. Do you know why not?

25 A. I don't know why not.

1 have suffered a similar loss?

2 MS. FOX: Again, it calls for
3 a legal conclusion.

4 MS. BRANNEN: I asked him to
5 describe it in his own words.

6 BY MS. BRANNEN:

7 Q. You can answer the question.

8 A. I'm sure I could give it to you in
9 laymen's terms. I know that there is a
10 class and a subclass that is -- these --

11 both these classes -- one class includes
12 individuals who purchased the stock on
13 the IPO, the other includes individuals
14 who purchased the stock within a -- I
15 believe a 25-day window following the
16 IPO.

17 And can you repeat -- I think
18 there was more than one part of the
19 question, if you wouldn't mind repeating
20 it.

21 Q. That was really it.

22 A. Okay.

23 Q. Just whether you could kind of
24 describe the boundaries of the class
25 that you're seeking to represent --

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1 Q. Do you know whether you're seeking
2 to be named a class representative by
3 the Court?

4 A. I believe I am. I'm willing to
5 be --

6 MS. FOX: Object. This --
7 it's really a legal question of --

8 THE WITNESS: Yeah.

9 MS. BRANNEN: I'm just asking
10 for his understanding of what he's
11 seeking to do in this lawsuit.

12 THE WITNESS: Well, I can put
13 it in laymen's terms.

14 BY MS. BRANNEN:

15 Q. That's great.

16 A. And in laymen's terms, what I'm
17 willing to do is to -- is to represent
18 in whatever capacity it is -- is
19 necessary other individuals who have
20 suffered a loss that is of the same
21 nature and same genesis as my loss.

22 Q. And so can you describe in your
23 own words kind of what the boundaries
24 are of that class that you're trying to
25 represent, who those people are that

1 A. Okay.

2 Q. -- in terms of who they are.

3 A. Uh-huh.

4 Q. Why do you want to be a class
5 representative?

6 A. Because I think that there has
7 been a -- an injustice here. There's
8 been a wrong here. I think it's a wrong
9 that needs to be righted. I think
10 there's been a -- I think this is a case
11 of thievery and theft. I think Barney
12 Adams stole this money from people.
13 Okay? In the -- in a broad sense of the
14 word.

15 He didn't come and take
16 his -- put his hands in our pockets, but
17 he sold us a stock that he said and that
18 the company said and that the
19 underwriters said was worth \$16 a share
20 and he took our money. And in a very
21 few months all that evaporated. So I
22 think he ought to give that money back
23 to us.

24 Q. Do you know how many members are
25 in the class that you're seeking to

33 (Pages 126 to 129)

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<p style="text-align: right;">Page 130</p> <p>1 represent?</p> <p>2 A. I don't know. I assume that there</p> <p>3 are thousands. I don't know</p> <p>4 specifically how many.</p> <p>5 Q. And do you know when the other</p> <p>6 class members bought their Adams Golf</p> <p>7 stock?</p> <p>8 MS. FOX: I think he just</p> <p>9 described that with some clarity.</p> <p>10 BY MS. BRANNEN:</p> <p>11 Q. Can you just repeat the answer?</p> <p>12 Sorry.</p> <p>13 A. I'll repeat it. Yes. Some of</p> <p>14 them bought it on the IPO. Some of them</p> <p>15 bought it within a 25-day window of the</p> <p>16 IPO.</p> <p>17 Q. And do you know why those class</p> <p>18 members bought their stock?</p> <p>19 MS. FOX: How could he</p> <p>20 possibly?</p> <p>21 THE WITNESS: I would not</p> <p>22 have any possible knowledge of why they</p> <p>23 bought their stock.</p> <p>24 BY MS. BRANNEN:</p> <p>25 Q. Do you know when the alleged class</p>	<p style="text-align: right;">Page 132</p> <p>1 A. Just a handful of us, I believe.</p> <p>2 Q. Have you ever met with any of the</p> <p>3 other proposed class representatives?</p> <p>4 A. I have not.</p> <p>5 Q. Have you ever met Kenneth</p> <p>6 Schockley or David Schockley?</p> <p>7 A. I have met them in the sense that</p> <p>8 I know them, yes. I've never met with</p> <p>9 them to discuss this case.</p> <p>10 Q. Okay. Did you know that Federated</p> <p>11 National Insurance Company was a class</p> <p>12 representative or proposed class</p> <p>13 representative?</p> <p>14 A. Not -- I recall reading that name,</p> <p>15 but really didn't focus on it.</p> <p>16 Q. Did you know that they withdrew</p> <p>17 from consideration as a proposed class</p> <p>18 representative?</p> <p>19 A. No.</p> <p>20 Q. And so I guess you don't know why</p> <p>21 they withdrew, then.</p> <p>22 A. It's not relevant to me.</p> <p>23 Q. Do you have an agreement with your</p> <p>24 attorneys concerning who pays the costs</p> <p>25 for you to act as a class</p>
<p style="text-align: right;">Page 131</p> <p>1 period begins?</p> <p>2 A. Can you define what the class</p> <p>3 period is?</p> <p>4 MS. FOX: Calls for a legal</p> <p>5 conclusion again.</p> <p>6 BY MS. BRANNEN:</p> <p>7 Q. Let me just move to another</p> <p>8 question.</p> <p>9 Do you think your claims are</p> <p>10 similar to the class of plaintiffs you</p> <p>11 purport to represent?</p> <p>12 A. Yes.</p> <p>13 Q. And I may have already asked you</p> <p>14 this, but do you know how many other</p> <p>15 proposed class representatives there</p> <p>16 are?</p> <p>17 MS. FOX: It's been asked.</p> <p>18 He said in the thousands.</p> <p>19 THE WITNESS: Yeah.</p> <p>20 MS. BRANNEN: No, I don't --</p> <p>21 BY MS. BRANNEN:</p> <p>22 Q. Thousands of proposed class</p> <p>23 representatives?</p> <p>24 A. Oh, class representatives?</p> <p>25 Q. Uh-huh.</p>	<p style="text-align: right;">Page 133</p> <p>1 representative?</p> <p>2 A. I don't have an agreement with</p> <p>3 them.</p> <p>4 Q. Who is paying -- I'm guessing it</p> <p>5 sounded like you could drive here; you</p> <p>6 didn't have travel expenses to get here</p> <p>7 today; is that right?</p> <p>8 A. I've not been reimbursed for any</p> <p>9 of my expenses, and I have not to date</p> <p>10 asked for reimbursement of any of my</p> <p>11 expenses.</p> <p>12 Q. Do you plan to ask for</p> <p>13 reimbursement of any of your expenses?</p> <p>14 A. If they become significant,</p> <p>15 whatever that means to me, perhaps, but</p> <p>16 not necessarily.</p> <p>17 Q. What would that mean to you? What</p> <p>18 would be a significant cost to you?</p> <p>19 A. I don't know. Like I said, it</p> <p>20 would depend on how I feel at the time.</p> <p>21 Q. What do you understand your job to</p> <p>22 be, sort of your role as a class</p> <p>23 representative?</p> <p>24 A. My role, as I see it, is to see</p> <p>25 this claim through a -- through a fair</p>

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1 process, through a process which will
2 allow the claim to be heard, to be
3 presented in a professional manner, and
4 to be presented and defended in a manner
5 which will maximize the recovery of our
6 loss.

7 Q. Can you tell me approximately how
8 much time you've spent fulfilling your
9 duties so far as lead plaintiff and a
10 proposed class representative?

11 A. Over the course of the last few
12 years since this claim was filed, I
13 stayed in touch with the attorneys,
14 calling them from time to time,
15 inquiring as to the status, getting
16 briefings over the phone in terms of
17 what has happened, discussed strategy
18 with them, and came in here last night,
19 spoke to them about the claims, met with
20 them this morning.

21 I don't know how many hours
22 all that is.

23 Q. You think it's, I don't know,
24 approximately eight hours' worth of work
25 or more than that?

1 A. Justice and a return of our loss,
2 but, more importantly, justice. I wish
3 this was a criminal case instead. You
4 know, that's what I'd like to see, these
5 folks go to jail.

6 Q. If you were to prevail in your
7 suit, what do you believe that you're
8 entitled to in terms of damages?

9 A. I think I'm entitled to all the
10 money -- I think the class is entitled
11 to the money it lost and some return on
12 that money and reimbursement of all of
13 our expenses to pursue the return of
14 those -- that loss and anything else
15 that the law entitles me to be
16 recoverable.

17 Q. What's your understanding of the
18 monetary recovery that you might receive
19 as a result of the lawsuit?

20 A. Personally?

21 Q. Yes.

22 A. I haven't done a -- I haven't done
23 any calculations. I -- my loss is
24 something like \$49,000.

25 Q. Do you know what you are claiming

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1 MS. FOX: Well --

2 THE WITNESS: It's more than
3 that.

4 BY MS. BRANNEN:

5 Q. More than two days?

6 A. I never really kept track of the
7 time. It's the -- it's the quality of
8 the time that's important to me and
9 whether or not we're making progress and
10 whether or not this is a claim worth
11 pursuing.

12 Q. What parts of the lawsuit do you
13 intend to directly participate in beyond
14 this deposition? For example, will you
15 attend the class certification hearing?

16 A. If required, I will. If
17 required, I'll attend whatever hearings
18 my presence -- where my presence is
19 required in the opinion of my attorneys.

20 Q. So would future travel to Delaware
21 impose any kind of burden on you?

22 A. Not a burden that can't be
23 overcome.

24 Q. And what do you stand to gain
25 personally as a class representative?

1 are the total damages to the class?

2 A. It's many millions of dollars. I
3 mean, I don't know what the exact number
4 is, but it's a big number.

5 Q. Do you believe that you're
6 entitled to anything more than other
7 class members on a percentage basis?

8 A. No.

9 Q. Do you have any kind of agreement
10 in place that would compensate you by
11 any additional amount that's not
12 available to the other class members?

13 A. Absolutely not.

14 Q. Would you be willing to attend a
15 mediation in this case?

16 A. Yes.

17 Q. Did you know there is a mediation
18 set for June 1st, 2005?

19 A. Yes.

20 Q. Are you planning to attend that?

21 A. That will be a strategic question
22 -- that's a strategic question that
23 needs to be asked and discussed between
24 myself and the attorneys, my attorneys.

25 Q. Who has the authority to settle

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1 the case?

2 **A. The case will be settled based**

3 **upon an agreement that is reached**

4 **between -- well, I guess only the**

5 **plaintiffs have the authority to settle**

6 **the case. The attorneys don't have the,**

7 **to my knowledge, the authority to settle**

8 **the case unless we give them the**

9 **authority to settle it, and I haven't**

10 **given anyone the authority to settle**

11 **this case.**

12 Q. Do you plan on attending the

13 entire trial?

14 **A. If there's a trial, I'm sure I'll**

15 **be there for some portion of it.**

16 Q. But not the entire thing?

17 **A. Depends on what's required.**

18 Q. Can you identify -- who

19 specifically is your attorney

20 representing you?

21 MS. FOX: Object to that.

22 How -- what do you mean by

23 who is his attorney?

24 MS. BRANNEN: I'm just asking

25 him who his --

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1 **A. My agreement is it's a contingent**

2 **fee. I don't pay them anything unless**

3 **this case is successful, and then they**

4 **get paid based upon their application**

5 **for a fee and based upon -- and after a**

6 **review by a Court.**

7 Q. And do you know what percentage of

8 the recovery the contingency fee would

9 be?

10 **A. I don't know.**

11 Q. Do you know how much your

12 attorneys bill per hour?

13 **A. I don't know because I'm not**

14 **paying them by the hour.**

15 Q. I know you talked about that Bill

16 Schockley sort of took your discussions

17 about whether this might be a case to an

18 attorney; I forget the name. Can you

19 tell me again?

20 **A. Abrahams Loewenstein, I believe.**

21 Q. That's right.

22 And that then from there it

23 kind of made its way to some of the

24 other attorneys that are representing

25 you now. Were you involved in choosing

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1 MS. FOX: People signed the

2 Complaint. All of whom represent him,

3 obviously.

4 BY MS. BRANNEN:

5 Q. Can you please answer the

6 question?

7 **A. Sure. My attorneys Liz Fox and**

8 **Don Lewis and Todd Collins and anyone**

9 **else they need to get done what they**

10 **need to get done to pursue this case.**

11 Q. And do you have a Fee Agreement

12 with your attorneys?

13 **A. Yes.**

14 Q. Is it a written agreement?

15 **A. No. The agreement is that if this**

16 **case is successful, they'll be paid**

17 **something that will be reviewed and**

18 **recommended by a judge.**

19 Q. Do you have any agreement with

20 them about what they will ask the judge

21 for?

22 **A. I haven't even discussed that.**

23 Q. So your agreement -- can you just

24 explain to me again then what the

25 agreement is? I'm confused.

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1 those attorneys?

2 **A. No, I wasn't.**

3 Q. Do you know how they were chosen?

4 **A. They were chosen on the advice of**

5 **counsel beginning with Abrahams**

6 **Loewenstein and being passed on from**

7 **that point.**

8 Q. And why were they chosen?

9 **A. They were chosen based upon their**

10 **competency and expertise to handle a**

11 **case of this nature.**

12 Q. Do you know whether competitive

13 bids were taken from different law

14 firms?

15 **A. To my nature, there were no**

16 **competitive bids.**

17 **I'm sorry. To my knowledge,**

18 **not my nature.**

19 Q. And I think we may have gone over

20 this already and if so, I apologize.

21 Can you tell me again how many times you

22 physically met with your attorneys in

23 this case?

24 **A. I met with them by phone on many**

25 **occasions. I met with them in person**

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1 travel, filing fees with the Court,
 2 sending out notices to the class, that
 3 kind of thing?
 4 **A. They pay it themselves. If**
 5 **they're successful, if the class is**
 6 **successful, then they will be reimbursed**
 7 **a fee and likely some amount of their**
 8 **expenses as well.**
 9 Q. So have you agreed to reimburse
 10 the attorneys for all costs regardless
 11 of the outcome of the lawsuit?
 12 **A. I haven't agreed to --**
 13 MS. FOX: Objection.
 14 BY MS. BRANNEN:
 15 Q. You can still answer the question.
 16 **A. I haven't -- I have not agreed to**
 17 **anything in that respect.**
 18 Q. What understanding do you have
 19 about any costs that you might have to
 20 pay?
 21 **A. My understanding is that I'm**
 22 **entitled to be reimbursed for out-of-**
 23 **pocket expenses, but -- you know, like**
 24 **for my travel here, for parking, but,**
 25 **you know, I don't necessarily intend to**

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1 costs. He's explained that. He's
 2 explained how we get our costs, if we
 3 get our costs, and otherwise it's simply
 4 not part of this litigation.
 5 BY MS. BRANNEN:
 6 Q. You can still answer my question.
 7 MS. FOX: There's no reason
 8 for him to. It's completely irrelevant.
 9 MS. BRANNEN: Are you making
 10 a privilege objection?
 11 MS. FOX: No. I'm making a
 12 relevance objection.
 13 MS. BRANNEN: Well, you can't
 14 instruct him not to answer the question
 15 unless you have a privilege objection
 16 MS. FOX: If he has some
 17 knowledge on the subject, he can answer
 18 it. But I think we've gone on --
 19 MS. BRANNEN: And I'd
 20 appreciate it if you'd stop making
 21 speaking objections after this.
 22 MS. FOX: You've gone off at
 23 length with your irrelevancies and I
 24 think you can get -- be through with it.
 25 MS. BRANNEN: Okay. Well,

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1 **pursue reimbursement for that.**
 2 Q. Do you have any knowledge of what
 3 costs are involved beyond the examples I
 4 just gave you?
 5 **A. I believe you've covered it.**
 6 **Court fees, travel expenses, filing**
 7 **fees.**
 8 Q. Court reporter costs?
 9 **A. Court reporter.**
 10 Q. I didn't cover that one.
 11 **A. Yeah.**
 12 MR. LEWIS: She doesn't get
 13 paid.
 14 BY MS. BRANNEN:
 15 Q. Do you know what the magnitude of
 16 all of these costs can be?
 17 **A. No, I haven't attempted to**
 18 **estimate it.**
 19 Q. I mean, just thinking about it,
 20 would you estimate it to be in the
 21 thousands?
 22 **A. It's not really relevant --**
 23 MS. FOX: I'm going to object
 24 to this whole line of questioning.
 25 He's not responsible for

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1 I'd appreciate it if you'd stop making
 2 speaking objections, and I'd ask that
 3 the witness please answer the question.
 4 THE WITNESS: Can you repeat
 5 the question, please?
 6 MS. BRANNEN: Would you read
 7 it back, please.
 8 (The court reporter read back
 9 the following:
 10 "QUESTION: I mean, just
 11 thinking about it, would you estimate it
 12 to be in the thousands?")
 13 BY MS. BRANNEN:
 14 Q. And I was referring to the
 15 magnitude of the costs.
 16 **A. The magnitude of the costs is not**
 17 **a matter for my concern. I'm not**
 18 **responsible for it. They're --**
 19 Q. Have you taken -- I'm sorry.
 20 **A. They operate at risk here.**
 21 Q. Have you taken any steps to manage
 22 the costs incurred in the lawsuit?
 23 **A. It's self-managing by way of**
 24 **the -- by virtue of the fact that they**
 25 **only get paid if they win, so it's self-**

JOHN MORRASH

2/23/2005 IN RE: ADAMS GOLF, INC., SECURITIES LITIGATION

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1 know.

2 And so it's all discussions
3 after this lawsuit was filed, so then
4 they don't need to be -- I think we had
5 already confirmed that we don't need to
6 put that on a privilege log then.

7 MS. FOX: Well, we're going
8 to put it on just because we don't have
9 a --

10 MS. BRANNEN: Bates number
11 for it?

12 MS. FOX: -- a Bates number
13 for it.

14 MS. BRANNEN: That sounds
15 good.

16 BY MS. BRANNEN:

17 Q. So have you had a minute to review
18 this?

19 A. Yes. Yes. These are my trading
20 records.

21 Q. And so let's take a look first at
22 JMM 7. And so you bought 4,000 shares
23 of Adams Golf on July 10th is what this
24 reflects; is that correct?

25 A. Uh-huh.

1 about the loss and probably wanting to
2 take the tax loss in end-year. I don't
3 really remember the specifics.

4 Q. At what point did you get
5 concerned about the amount of money that
6 the Adams Golf shares had lost?

7 A. My recollection is that it dropped
8 -- it dropped pretty quickly, so...

9 Q. Quickly after the IPO?

10 A. Yes. Certainly because this is
11 between June or July, whenever the
12 IPO -- the shares, let's see. They were
13 purchased on -- traded July 10th, so
14 when -- in less than six months, it
15 dropped \$12 and some change.

16 So -- and it dropped -- my
17 recollection is that it dropped pretty
18 steeply. It's not like -- I don't
19 recall specifically. I don't think it
20 sort of worked its way down. I think it
21 dropped pretty quickly.

22 Q. So I guess what I'm trying to get
23 at is how close you were tracking the
24 drop. At what point would you have
25 instructed your broker that it was okay

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1 Q. And then if you'll look at JMM 3,
2 this document reflects a sale of 4,000
3 shares on December 30th, 1998?

4 A. Yes.

5 Q. Why did you decide to sell your
6 shares at this point?

7 A. I don't recall specifically if I
8 made the decision to sell or whether or
9 not my broker made the decision to
10 sell. But it was done at the end of the
11 year, I think I can safely assume, so
12 that the tax loss could be taken in
13 1998.

14 Q. Would your broker ordinarily
15 confer with you before he sold something
16 at a loss, especially a substantial
17 loss?

18 A. Yes. But we had discussed this
19 stock. He had my okay to sell it pretty
20 much, you know, at his discretion.

21 Q. At what point did you give him
22 his -- your okay to sort of sell it at
23 any time?

24 A. I don't really remember
25 specifically. I remember being upset

1 to sell it at any time?

2 A. I don't really recall. I would
3 just trying to be reconstructing history
4 based on the best of my guess, I guess.
5 I don't remember specifically.

6 MS. FOX: Don't guess. If
7 you don't remember, you don't remember.

8 THE WITNESS: Yeah. I don't
9 remember specifically.

10 BY MS. BRANNEN:

11 Q. I guess my other question would
12 be, did you have some sort of standard
13 practice? If something that he
14 purchased for you started losing money,
15 did you guys have some kind of standard
16 agreement about, you know, at what --
17 kind of what percentage loss or some
18 other way that you determined, you know,
19 that we should just get out of it?

20 A. It wasn't that -- it was -- it
21 wasn't that formal because he's a friend
22 of mine. He was, you know, doing very
23 well for me. I don't expect, you know,
24 every one to be a winner, but he had
25 discretion.

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JOHN MORRASH

2/23/2005 IN RE: ADAMS GOLF, INC., SECURITIES LITIGATION

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1 market makers like the NASDAQ are
 2 supposed to do.
 3 BY MS. BRANNEN:
 4 Q. And do you believe that
 5 information about a company affects the
 6 way the market values the stock?
 7 A. Yes.
 8 Q. What kind of information do you
 9 think influences a company's stock
 10 price?
 11 A. People have written books on
 12 that. Anything. Again, I mean, it --
 13 their relative strength to their
 14 competitors, the outlook for new
 15 products for the company, technological
 16 advantages they might have, congruency
 17 between their products and the specific
 18 demands of a market, the total
 19 consumption in the market, the growth in
 20 the market, in this case, in terms of
 21 number of golfers, number of new golf
 22 courses, the ability of a company to
 23 penetrate markets in foreign countries,
 24 ability of companies to sell
 25 aggressively.

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1 A. I can't speak for my brokers, but
 2 my common-sense understanding is that
 3 they're basing their decision about all
 4 the sources of information that are
 5 available.
 6 Q. And I know when you were listing
 7 some of the information that you think
 8 affects the company's stock price, one
 9 of the things you talked about was sort
 10 of industry conditions, market
 11 conditions in the industry where a
 12 corporation does business. How fast do
 13 you believe that kind of information is
 14 assimilated by the market?
 15 MS. FOX: Again, it's way
 16 beyond his expertise and --
 17 BY MS. BRANNEN:
 18 Q. Just -- I'm just looking for your
 19 layman's opinion.
 20 MS. FOX: -- completely
 21 irrelevant.
 22 THE WITNESS: As a layman,
 23 that is a longer-term issue because it
 24 speaks -- it speaks to a trend in the
 25 marketplace. You don't build golf

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1 All that kind of information
 2 is relevant and is information that's
 3 considered by people who buy and sell
 4 investments on a daily basis.
 5 Q. How fast do you think that such
 6 information is assimilated by the
 7 market, the stock market?
 8 A. Today?
 9 MS. FOX: If you know.
 10 THE WITNESS: In my --
 11 BY MS. BRANNEN:
 12 Q. In your layman's opinion.
 13 A. In my layman's opinion? Faster
 14 every day, with -- the world pretty much
 15 operates in real time.
 16 Q. Does that kind of information
 17 influence your investment decisions?
 18 A. Yes.
 19 Q. Or maybe, I guess, a better
 20 question is, does it influence your
 21 broker's investment decisions? Because
 22 do you actually -- I think you were
 23 saying earlier you don't really have
 24 time to follow all the stocks that
 25 you're invested in.

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1 courses overnight. You don't convince
 2 more Americans they should be playing
 3 golf overnight. It's a -- it's -- in my
 4 layman's opinion, it's something that
 5 happens over a period of time.
 6 BY MS. BRANNEN:
 7 Q. Do you --
 8 A. But it's different for each --
 9 it's different for each business.
 10 Q. Do you think that global or
 11 macroeconomic forces in general affect a
 12 company's stock price?
 13 A. Of course.
 14 Q. And do you think those kinds of
 15 forces affected Adams Golf stock at any
 16 time during the class period?
 17 A. No. Not in a negative way. No.
 18 Q. Have you ever met or known anyone
 19 at Adams Golf, an employee or a former
 20 employee of Adams Golf?
 21 A. I was at a golf show once and
 22 stopped by the Adams Golf booth and told
 23 a person there how upset I was about
 24 losing almost \$50,000 in their company.
 25 I don't know her name. I just sort of

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JOHN MORRASH

2/23/2005 IN RE: ADAMS GOLF, INC., SECURITIES LITIGATION

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1 **A. I would not.**
 2 Q. I understand you testified earlier
 3 about your agreement with your counsel
 4 regarding fees ultimately to be
 5 determined by the Court.
 6 **A. Uh-huh.**
 7 Q. Do you have a written retention
 8 agreement with Berger & Montague?
 9 **A. No.**
 10 Q. Do you have a written retention
 11 agreement with any of the attorneys
 12 whose names are listed on this
 13 Complaint, Exhibit 19, Mr. Lewis?
 14 **A. No.**
 15 Q. Abrahams Loewenstein & Bushman,
 16 and the Olsen law firm, do you have any
 17 there?
 18 **A. I do not.**
 19 Q. Is there any form of written
 20 document that sets out the parameters of
 21 your attorneys' representation of you in
 22 this suit?
 23 **A. There is not.**
 24 Q. I believe you said earlier that
 25 Mr. Bill Schockley works with a private

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1 your -- the trading records that you
 2 produced regarding your Adams Golf
 3 transactions --
 4 **A. Uh-huh.**
 5 Q. -- that reflects all the -- the
 6 only two transactions that you ever made
 7 in Adams Golf stock; is that correct?
 8 **A. That's correct.**
 9 Q. Okay. I just wanted to make sure
 10 there weren't any other purchases or
 11 sales at a different time period.
 12 **A. No.**
 13 MS. BRANNEN: Okay. Can we
 14 just take a quick five-minute break and
 15 I just want to make sure I've covered
 16 everything.
 17 MS. FOX: Sure.
 18 MS. BRANNEN: Off the record.
 19 (Recess, 3:22-3:24 p.m.)
 20 MS. BRANNEN: I think I'm
 21 done.
 22 MS. FOX: I have one
 23 question.
 24 MS. BRANNEN: Okay.
 25 EXAMINATION

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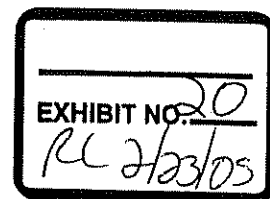
1 equity firm; is that correct?
 2 **A. Yes.**
 3 Q. Can you tell me the name of that
 4 firm?
 5 **A. I mean, I don't know why that's**
 6 **relevant. That's his business, where he**
 7 **works, not mine.**
 8 Q. You're not going to answer the
 9 question?
 10 **A. No, I'm not going to answer the**
 11 **question.**
 12 Q. Is there a reason why you're not
 13 going to answer the question?
 14 **A. I just don't think it's relevant.**
 15 **I'm not going to tell you where he works**
 16 **or where he lives. It's just -- it's**
 17 **his right to privacy.**
 18 MR. McEVOY: Okay. That's
 19 all I have.
 20 EXAMINATION
 21 BY MS. BRANNEN:
 22 Q. I just have one or two more
 23 questions. I just want to make sure
 24 that I got clear for the record the --
 25 when we looked at Exhibit 20, which was

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1 BY MS. FOX:
 2 Q. Is it your understanding that
 3 Adams Golf itself is a defendant in this
 4 litigation?
 5 **A. Yes, the company. Yes.**
 6 Q. Did you know that at the time you
 7 were asked to recite the defendants this
 8 morning --
 9 **A. I did --**
 10 Q. -- the first or second question?
 11 **A. I did know that, yes.**
 12 Q. And you just forgot, you said?
 13 **A. Yes. I just --**
 14 MS. FOX: Okay. That's fine.
 15 Thank you.
 16 MS. BRANNEN: Then I think
 17 we're done.
 18 (Whereupon the deposition
 19 concluded at 3:24 p.m.)
 20 TESTIMONY CLOSED
 21
 22
 23
 24
 25

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ADG00B



Adam Golf Litigation

Janney Montgomery Scott

INC.

PHILADELPHIA, PA 19103-1675
1801 MARKET STREET
(215) 665-6000MT. LAUREL N.J. 08054
1000 ATRIUM WAY (ATRIUM I BLDG.)

SEE REVERSE SIDE FOR IMPORTANT INFORMATION

B. YOU BOUGHT S. YOU SOLD	DESCRIPTION	PRICE	AMOUNT	INTEREST	SEC FEE AND/OR HANDLING	COMMISSION OR CHARGE	NET AMOUNT
S 4000	ADAMS GOLF	36339	1453560		49	50375	1403136
			ACCOUNT NUMBER	TYPE OF ACCT	TYPE OF TRANS	TRADE DATE	SETTLEMENT DATE
			CH4860268326	1	06	12/30/98	01/05/99

JOHN M MORRASH & JT-TEN
SANDRA M MORRASH
3901 SHERWOOD LANE
DOYLESTOWN PA 18901

SYMBOL AD60

CUSIP NO 006228-10-0

MEMBER
SIPC
SECURITIES INVESTOR
PROTECTION CORPORATION

Terms and Conditions

This transaction is subject to the constitution, rules, regulations, customs and usages of the Exchange or Market (and its Clearing House if any) where executed and to the provisions of the Security Exchange Act of 1934 and the rules and regulations of the Securities and Exchange Commission, and of the Federal Reserve Board, and also in accordance with the requirements of the National Association of Securities Dealers, Inc.

Until settlement is made by you, these securities are or may be hypothecated and commingled with securities carried for other customers.

Securities shall not be deemed to be delivered to us until actually received by us. Title to securities delivered by us shall not pass until payment is actually received. A check shall not be considered payment until it has been collected. On collection, title to these securities shall pass to the buyer.

If we have acted as your agent, the name of the other party to the transaction, time of execution and remuneration will be furnished upon written request.

For holders of certain Zero Coupon Municipal Bonds, there are no periodic payments and, if applicable, may be callable below maturity value without notice by mail to Holder unless Registered.

If this transaction was executed on a Canadian exchange, the amount shown under interest or state tax on the face hereof represents the aggregate amount of the conversion differential between Canadian and American currency on the date of the transaction.

If the symbol (*) appears in the security description on the face hereof, the offering of the described security has been made solely by means of the prospectus relating thereto, a copy of which has been or will be delivered to you, receipt of which is acknowledged by payment hereof.

If the symbol (F) appears in the security description, it indicates that the security is "Foreign" and may be subject to interest equalization tax.

If the symbol (P) appears in the security description, it indicates that there is a 100% initial margin requirement on the purchase of the security.

If the symbol (K) appears in the price, it indicates that an odd lot differential has been added to the price on purchases or deducted on sales. On the New York Stock Exchange this amount is 12½¢ per share. In all other cases an explanation will be provided upon request.

On certain orders, we may receive remuneration for directing these orders to particular broker/dealers or market centers for execution. If any compensation was received in connection with your transaction, the source and amount is available at your request.

Regarding CMO's and other asset-backed securities, the anticipated yield and average life of the security will fluctuate depending on actual prepayment experience and current interest rates. Further information available on request.

Explanation

Type of account

- | | | |
|------------|----------------|----------|
| 1. Cash | 3. Withholding | 5. Other |
| 2. General | 4. When issued | 6. Short |

Type of transaction

The capacity in which we have acted in this transaction is indicated by the number appearing on the face hereof and described as follows:

- | | |
|-----------------------------------|---|
| 01. As principal for our account. | 07. As agent for another account |
| 02. As agent for your account on: | 08. Agent for both buyer and seller; the "same" or "like" commission has been charged by the broker to the customer on the other side of the transaction. |
| 03. New York Stock Exchange | 14. American Stock Exchange-Options |
| 04. Chicago Stock Exchange | 15. Chicago Board Options Exchange |
| 05. American Stock Exchange | 25. Pacific Stock Exchange |
| 06. Other | 35. Philadelphia Stock Exchange |
| 06. Over the counter | |

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 PHILADELPHIA STOCK EXCHANGE
 NATL. ASSN. SECURITIES DEALERS

SEE REVERSE SIDE FOR INSTRUCTIONS

B - YOU BOUGHT S - YOU SOLD		DESCRIPTION	NET AMOUNT
S	4000	ADAMS GOLF	1403136
			SETTLEMENT DATE
			01/05/99

JOHN M MORRASH &
 SANDRA M MORRASH JT-TEN
 3901 SHERWOOD LANE
 DOYLESTOWN PA 18901

ACCOUNT NUMBER
CH4860268326
CUSIP NUMBER
006228-10-0

INSTRUCTIONS

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PLEASE RETURN THIS STUB WITH REMITTANCE
MAKE CHECKS PAYABLE TO JANNEY MONTGOMERY SCOTT INC. OR JMS.

FOR SECURITIES SOLD

PLEASE RETURN THIS STUB WITH CERTIFICATES

Janney Montgomery Scott

INC.

PHILADELPHIA, PA 19103-1875
1801 MARKET STREET
(215) 695-6000MT. LAUREL, N.J. 08054
1000 ATRIUM WAY (ATRIUM 1 BLDG.)

SEE REVERSE SIDE FOR IMPORTANT INFORMATION

B - YOU BOUGHT S - YOU SOLD	DESCRIPTION	PRICE	AMOUNT	INTEREST	SEC. FEE AND/OR HANDLING	COMMISSION OR CHARGE	NET AMOUNT
B	4000 ADAMS GOLF	160000	6400000				6400000
BILLING 07/13/98							
G	CH4860268326						
	ACCOUNT NUMBER						
	1						
	01						
	07/10/98						
	07/15/98						

PROSPECTUS MAILED UNDER SEPARATE COVER

JOHN M MORRASH &
SANDRA M MORRASH JT-TEN
3901 SHERWOOD LANE
DOYLESTOWN PA 18901

SYMBOL ADGO

CUSIP NO 006228-10-0

MEMBER
SIPC
SECURITIES INVESTOR
PROTECTION CORPORATION

Terms and Conditions

This transaction is subject to the constitution, rules, regulations, customs and usages of the Exchange or Market (and its Clearing House (if any) where executed and to the provisions of the Securities Exchange Act of 1934 and the rules and regulations of the Securities and Exchange Commission, and of the Federal Reserve Board, and also in accordance with the requirements of the National Association of Securities Dealers, Inc.

Until settlement is made by you, these securities are or may be hypothecated and commingled with securities carried for other customers. A check shall not be considered payment until it has been collected. On collection, title to these securities shall pass to us until actually received by us. Title to securities delivered by us shall not pass until payment is actually received. Securities shall not be deemed to be delivered to us until actually received by us.

For holders of certain Zero Coupon Municipal Bonds, there are no periodic payments and, if applicable, may be callable below maturity value without notice by mail to Holder unless Registered. If we have acted as your agent, the name of the other party to the transaction, time of execution and remuneration will be furnished upon written request.

For holders of certain Zero Coupon Municipal Bonds, there are no periodic payments and, if applicable, may be callable below maturity value without notice by mail to Holder unless Registered. If we have acted as your agent, the name of the other party to the transaction, time of execution and remuneration will be furnished upon written request.

If this transaction was executed on a Canadian exchange, the amount shown under interest or state tax on the face hereof represents the appropriate amount of the conversion differential between Canadian and American currency on the date of the transaction.

If the symbol (*) appears in the security description on the face hereof, the offering of the described security has been made solely by means of the prospectus relating thereto, a copy of which has been or will be delivered to you, receipt of which is acknowledged by payment, interest.

If the symbol (F) appears in the security description, it indicates that the security is "Foreign" and may be subject to interest equalization tax. On the New York Stock Exchange this amount is 12 1/2¢ per share. In all other cases, if the symbol (*) appears in the security description, it indicates that there is a 100% initial margin requirement on the purchase of the security.

If the symbol (*) appears in the price, it indicates that an odd lot differential has been added to the price on purchases or deducted on sales. On the New York Stock Exchange this amount is 12 1/2¢ per share. In all other cases, an explanation will be provided upon request.

On certain orders, we may receive remuneration for directing these orders to particular broker-dealers or market centers for execution. If any compensation was received in connection with your transaction, the source and amount is available at your request.

Regarding CMO's and other asset-backed securities, the anticipated yield and average life of the security will fluctuate depending on actual prepayment experience and current interest rates. Further information available on request.

Explanation		Type of transaction		Type of transaction	
Type of account		herein and described as follows:		As agent for another account	
1. Cash	3. Withholding	01. As principal for our account	02. New York Stock Exchange	07. As agent for another account	08. Agent for both buyer and seller; the same or, if the customer has been changed by the broker to the customer on the other side of the transaction.
2. General	4. When issued	03. Chicago Stock Exchange	04. American Stock Exchange	14. American Stock Exchange-Options	15. Chicago Board Options Exchange
	5. Other	05. Other	06. Over the counter	25. Pacific Stock Exchange	35. Philadelphia Stock Exchange

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 AMERICAN STOCK EXCHANGE
 PHILADELPHIA STOCK EXCHANGE
 NATL. ASSN. SECURITIES DEALERS

SEE REVERSE SIDE FOR INSTRUCTIONS

B - YOU BOUGHT S - YOU SOLD		DESCRIPTION	NET AMOUNT
B	4000	ADAMS GOLF	6400000
BILLING 07/13/98			SETTLEMENT DATE
			07/15/98

JOHN M MORRASH &
 SANDRA M MORRASH JT-TEN
 3901 SHERWOOD LANE
 DOYLESTOWN PA 18901

ACCOUNT NUMBER
CH4860268326
I
CUSIP NUMBER
006228-10-0

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FOR SECURITIES SOLD

PLEASE RETURN THIS STUB WITH CERTIFICATES

ADAMS GOLF, INC. SECURITIES LITIGATION
CERTIFICATION PURSUANT TO THE FEDERAL SECURITIES LAWS

John M. & Sandra M. Morrish ("Plaintiff") duly swears and says, as to the claims asserted under the federal securities laws, that:

1. I have reviewed the complaint and have authorized the filing of a substantially similar complaint on my behalf.
2. The security that is the subject of this action was not purchased at the direction of plaintiff's counsel or in order to participate in this private action.
3. Plaintiff is willing to serve as a representative party on behalf of the class, including providing testimony at deposition and trial, if necessary.
4. The transactions in the security that is the subject of this action during the Initial Public Offering are as follows:

<u>Date</u>	<u>Number of Shares Purchased</u>	<u>Price Per Share</u>
7-10-98	4000	\$ 16.00

loss \$ 49,464

<u>Date</u>	<u>Number of Shares Sold</u>	<u>Price Per Share</u>
12-30-98	4000	\$ 3.6339

TOTAL P.01

5. Plaintiff has not sought to serve as a class representative in any securities fraud class action in the last three (3) years, unless indicated below.

6. Plaintiff will not accept any payment for serving as a representative party on behalf of the class beyond the Plaintiff's pro rata share of any recovery, except as ordered or approved by the court for reasonable costs and expenses (including lost wages) directly relating to the representation of the class.

I declare under penalty of perjury under the laws of United States that the foregoing is true and correct. Executed this 12 day of April, 1999, at

Jenkintown, PA

By: John M. Morrash / Sandra M. Morrash
John M. Morrash / Sandra M.
Morrash

Adams Golf Course/213045.wp

P.01/01

00:01 0551-21-NH

JMM 12

5. Plaintiff has not sought to serve as a class representative in any securities fraud class action in the last three (3) years, unless indicated below.

6. Plaintiff will not accept any payment for serving as a representative party on behalf of the class beyond the Plaintiff's pro rata share of any recovery, except as ordered or approved by the court for reasonable costs and expenses (including lost wages) directly relating to the representation of the class.

I declare under penalty of perjury under the laws of United States that the foregoing is true and correct. Executed this 12 day of April, 1999, at Jenkintown, PA.

By: JMM
John M. Morra / Sandra M. Morra

**JOHN M MORRASH &
SANDRA M MORRASH JT-TEN**

ACCOUNT NUMBER QH48 6026-8326
STATEMENT PERIOD 06/27/98 - 07/31/98

Page 3 of 4

CURRENT ACTIVITY SECTION

INCOME AND EXPENSE ACTIVITY

[illegible]

TOTAL

SECURITIES BOUGHT AND SOLD[illegible]

TOTAL

OTHER ACTIVITIES

Date	Transaction Type	Quantity	Description	Pitch	Debits	Credits	Type
7/24	JOURNAL		RECEIVED				RECEIVED
7/24	JOURNAL		RECEIVED				RECEIVED
7/24	JOURNAL		RECEIVED				RECEIVED
7/24	JOURNAL		RECEIVED				RECEIVED
7/30	RECEIVED		RECEIVED				RECEIVED
7/30			RECEIVED				RECEIVED
7/30	MARGIN INT		RECEIVED				RECEIVED
	NET JOURNALS		RECEIVED				RECEIVED
	NET JOURNALS		RECEIVED				RECEIVED

TOTAL

HIGHLY ABSTRACT THINKING

Date	Type	Description	Check# / Code	Debits	Credits	TYPE	ACCT
000000	Bank						

NEW RELEASE

Transaction		Date	Type	Description	Price	Debits	Credits	Type	Acc
		1960	CASH		100000				
		1960	CASH		100000				
		1960	REVENUE		100000				
		1960	REVENUE		100000				

-3007528-

ENC YOUR SIRC COVERAGE IS SUPPLEMENTED BY ADDITIONAL PROTECTION OF \$49,500,000 BY A MAJOR INSURANCE COMPANY.

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Janney Montgomery Scott



MEMBER NEW YORK STOCK EXCHANGE INC. AND OTHER PRINCIPAL EXCHANGES

JOHN M MORRASH &
SANDRA M MORRASH, JT-IEN

ACCOUNT NUMBER CH48 6026-8326
STATEMENT PERIOD 11/28/98 - 12/31/98

TAX ID # 187-42-5247

Page 3 of 4

STATEMENT OF ACCOUNT

INCOME AND EXPENSE ACTIVITY

Date	Transaction Type	ID	Quantity	Description	Price	Debits	Credits	Acct Type
11/28/98				JANNEY MONTGOMERY SCOTT				CASH
12/31/98				JANNEY MONTGOMERY SCOTT				CASH
TOTAL								

SECURITIES BOUGHT AND SOLD

Date	Transaction Type	ID	Quantity	Description	Price	Debits	Credits	Acct Type
11/28/98				ADAMS GOLF	3.6339		14,031.36	CASH
12/31/98				ADAMS GOLF	5.4035			CASH
TOTAL								

OTHER ACTIVITY

Date	Transaction Type	ID	Quantity	Description	Price	Debits	Credits	Acct Type
11/28/98				ADAMS GOLF				CASH
12/31/98				ADAMS GOLF				CASH
TOTAL								

MONEY MARKET CHECKING ACTIVITY

Date	Transaction Type	ID	Check#	L Code	Description	Debits	Credits	Acct Type
11/28/98					ADAMS GOLF			CASH
12/31/98					ADAMS GOLF			CASH
TOTAL								

MONEY MARKET PURCHASE AND SALE ACTIVITY

Date	Transaction Type	ID	Quantity	Description	Price	Debits	Credits	Acct Type
11/28/98				ADAMS GOLF				CASH
12/31/98				ADAMS GOLF				CASH
TOTAL								